

806 KAR 11:010. Industrial insured, government entity insured, and exempt commercial policyholder.

RELATES TO: KRS 304.11-020, 304.13-051, 304.14-120

STATUTORY AUTHORITY: KRS 304.2-110

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110 provides that the Executive Director of Insurance shall promulgate reasonable rules and administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code. This administrative regulation provides the means by which the Executive Director may determine whether a proposed insured meets the definition of an "industrial insured", a "government entity insured", and an "exempt commercial policyholder".

Section 1. (1) An "industrial insured" as defined in KRS 304.11-020(2)(a), shall be an insured who filed an affidavit to the executive director prior to July 1, 1999, establishing that it satisfied the then-existing criteria for obtaining that status.

(2) All "industrial insureds" shall reapply for their status, prior to December 31, 2000, by filing with the executive director an "Industrial Insured Affidavit" (Form II-1 P & C) for his approval, certifying that the requirements of KRS 304.11-020(2)(a) continue to be satisfied.

Section 2. Prior to being recognized as a "government entity insured" as defined in KRS 304.11-020(2)(b), a proposed insured shall file with the executive director a "Government Entity Insured Affidavit" (Form GEI-1 P & C) for his approval.

Section 3. Prior to being recognized as an "exempt commercial policyholder" as defined in KRS 304.11-020(2)(c), a proposed insured shall file with the executive director an "Exempt Commercial Policyholder Affidavit" (Form ECP-1 P & C) for his approval.

Section 4. The executive director may, at his discretion, cause an investigation into the facts set forth in the proposed insured's affidavit.

Section 5. All filings of an initial certification or renewal shall be accompanied by the appropriate filing fee.

Section 6. All industrial insureds, government entity insureds and exempt commercial policyholders shall apply for renewal of their respective status with the executive director every three (3) years.

Section 7. (1) All property and casualty insurers, prior to issuing a policy of insurance to an industrial insured, government entity insured, or exempt commercial policyholder, shall obtain a copy of the approved Forms II-1 P & C, GEI-1 P & C, and ECP-1 P & C. The insurer shall make these approved forms available for examination by the executive director.

(2) It shall be permissible for any person to file the appropriate affidavit on behalf of an "industrial insured", "government entity insured" or "exempt commercial policyholder".

Section 8. After designating an insured an "industrial insured", "government entity insured", or "exempt commercial policyholder" the executive director may, from time to time, cause an investigation or unannounced audit to ascertain that the requirements for the designation continue to be satisfied.

Section 9. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) Form II-1 P & C, "Industrial Insured Affidavit", June, 2000 edition, Office of Insurance.

(b) Form GEI-1 P & C, "Government Entity Insured Affidavit", June, 2000 edition, Office of Insurance.

(c) Form ECP-1 P & C, "Exempt Commercial Policyholder Affidavit", June, 2000 edition, Office of Insurance.

(2) This material may be inspected, copied or obtained, subject to applicable copyright law, at the Kentucky Office of Insurance, 215 West Main Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m., or on the office's internet Web site: <http://doi.ppr.ky.gov/kentucky/> (3 Ky.R. 799; Am. 4 Ky.R. 108; eff. 8-3-77; 27 Ky.R. 1340; 1806; eff. 1-15-2001; TAm eff. 8-9-2007; Crt eff. 2-26-2020.)